



# The Real Estate ANALYST

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Number 37

*Real Estate Economists, Appraisers and Counselors*

## REGIONAL REAL ESTATE AND MORTGAGE ACTIVITY

HERE is a great deal of variation at the present time in real estate activity in different parts of the United States. If we compare the last 3 months with the corresponding 3 months of a year ago, in the number of voluntary sales, city by city, we will find that a few cities are running strongly ahead of a year ago, while other cities are running just as far behind their previous levels. New Haven, Connecticut, is running 25.2% above 1955, while Somerville, Massachusetts, is running 25.4% below 1955. The table on page 366 shows these figures for 78 cities ranked according to the relationship of the activity in the last 3 months to the corresponding period of a year ago. Of the 78 cities, 15 are ahead of a year ago, while 63 are having fewer sales than they had for the corresponding period in 1955.

When we compute real estate and mortgage activity by broad regions of the United States, we secure charts as shown on pages 367 through 370 in this report. On these charts the real estate activity figures are charted above and below a normal line for each region. It should always be remembered that each region has its own normal line, which is based on the long-range average of the past. The West Coast Region, with a long history of high-volume real estate sales, has a much higher normal line than has the New England Region. In New England the actual number of sales over the long recorded past has been much lower. The West Coast Region is below normal at the present time, which means that the number of sales taking place in that area is fewer than we would expect on the basis of the relationship of the past and on the number of families to the number of transfers. The real estate offices and mortgage companies on the West Coast are set up to take care of a larger volume of business than we would find in New England and, accordingly, when this volume of business does not develop, conditions are subnormal and the average real estate dealer finds it much more difficult to make sales than it has been under the conditions which prevailed in the past.

The regional real estate activity charts show that the highest activity areas of the United States, at the present time, are New England, the East Central Region, and the West Central Region. Activity along the East Coast, in the Middle Atlantic Region, in the South, the Southwest, the Mountain States, and the West Coast is not making a very favorable showing.

(cont. on page 380)

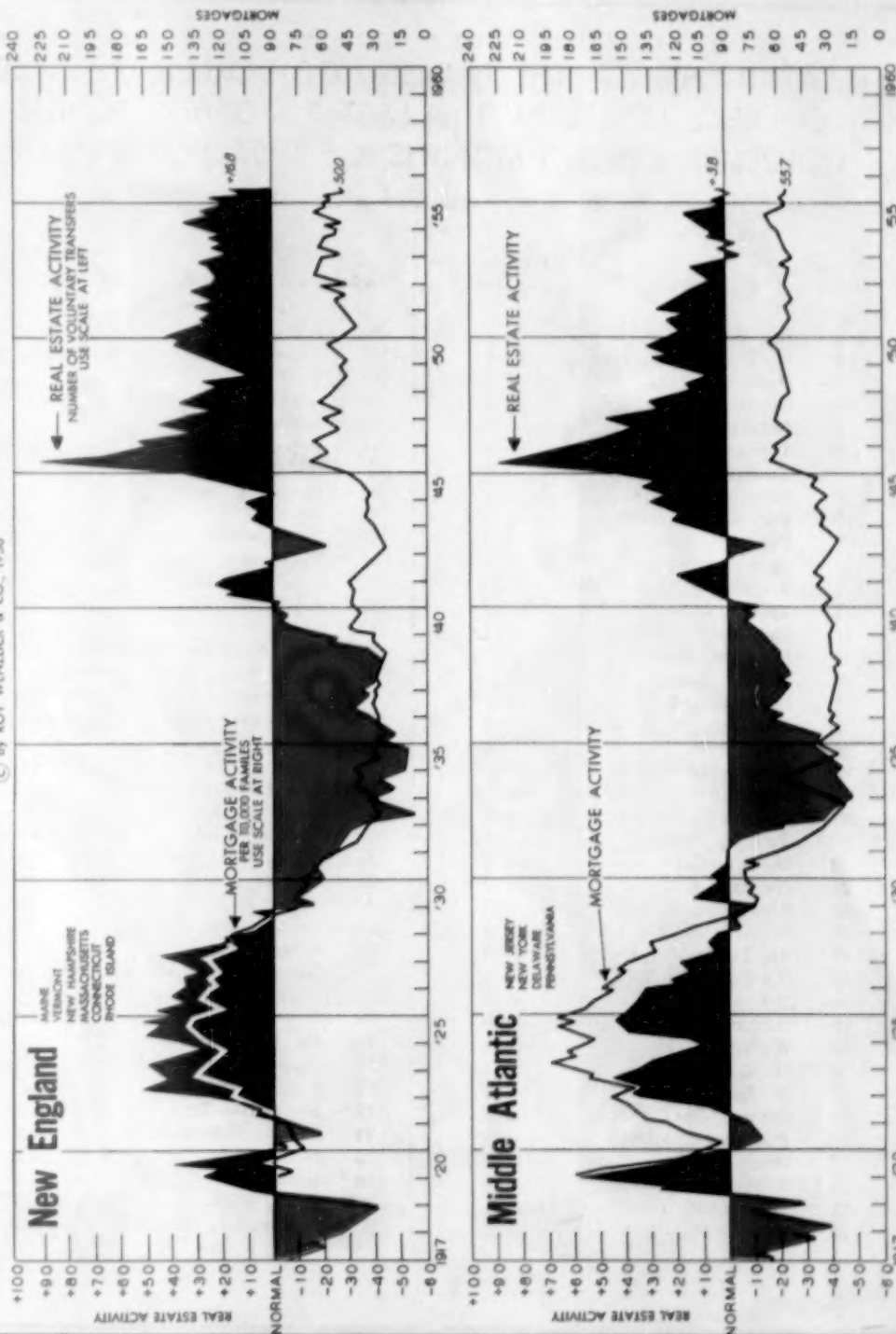
# RELATIONSHIP OF THE NUMBER OF VOLUNTARY SALES OF REAL ESTATE IN THE LAST 3 MONTHS TO THE CORRESPONDING 3 MONTHS OF 1955 FOR 78 CITIES

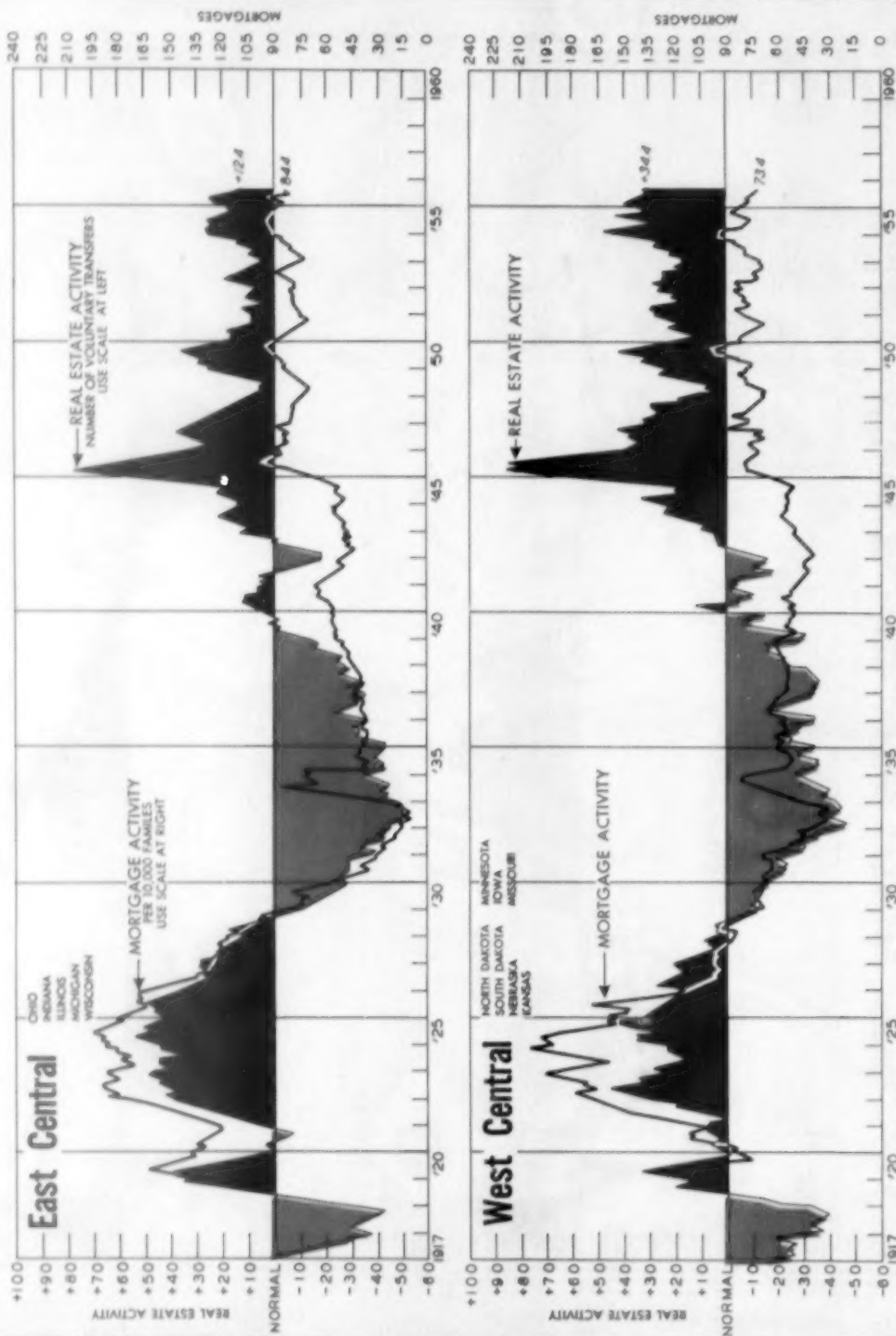
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Rank	City	% Relationship 1956-55	Rank	City	% Relationship 1956-55
1	New Haven, Conn.	+25.2	40	Buffalo, N. Y.	-7.0
2	St. Petersburg, Fla.	+17.0	41	Tucson, Ariz.	-7.0
3	Portland, Oreg.	+9.5	42	Waco, Tex.	-7.2
4	San Diego, Calif.	+8.6	43	Los Angeles, Calif.	-7.2
5	Duluth, Minn.	+5.0	44	Oakland, Calif.	-7.5
6	Topeka, Kans.	+3.9	45	Jersey City, N. Y.	-7.8
7	Youngstown, Ohio	+3.6	46	Philadelphia, Pa.	-8.2
8	Waterbury, Conn.	+3.4	47	Hartford, Conn.	-8.5
9	Fort Wayne, Ind.	+3.3	48	Detroit, Mich.	-8.7
10	Portland, Maine	+2.5	49	Jacksonville, Fla.	-9.1
11	Terre Haute, Ind.	+2.3	50	Kalamazoo, Mich.	-9.6
12	Trenton, N. J.	+2.1	51	Cleveland, Ohio	-10.3
13	Toledo, Ohio	+1.3	52	Allentown, Pa.	-10.5
14	Springfield, Mass.	+1.3	53	Gary, Ind.	-11.6
15	San Jose, Calif.	+0.3	54	Salt Lake City, Utah	-11.8
16	Dallas, Tex.	-0.7	55	Little Rock, Ark.	-11.9
17	Baltimore, Md.	-0.7	56	Oklahoma City, Okla.	-12.4
18	Chattanooga, Tenn.	-1.2	57	Cincinnati, Ohio	-12.6
19	Springfield, Mo.	-1.4	58	South Bend, Ind.	-13.1
20	Lowell-Lawrence- Haverhill, Mass.	-2.1	59	Akron, Ohio	-13.3
21	Queens Co., N. Y.	-2.7	60	Grand Rapids, Mich.	-13.7
22	Tacoma, Wash.	-2.8	61	Des Moines, Iowa	-14.1
23	Denver, Colo.	-3.2	62	Savannah, Ga.	-14.6
24	Chicago, Ill.	-3.3	63	Milwaukee, Wis.	-15.2
25	Elizabeth, N. J.	-3.9	64	Westchester Co., N. Y.	-15.4
26	Newark, N. J.	-4.3	65	Fort Worth, Tex.	-16.1
27	San Francisco, Calif.	-4.4	66	Atlanta, Ga.	-16.2
28	Syracuse, N. Y.	-4.5	67	Davenport, Iowa	-16.5
29	Indianapolis, Ind.	-4.5	68	Nassau Co., N. Y.	-16.7
30	Rochester, N. Y.	-4.8	69	Seattle, Wash.	-17.0
31	Worcester, Mass.	-4.9	70	Memphis, Tenn.	-17.4
32	St. Louis, Mo.	-5.1	71	Tulsa, Okla.	-18.0
33	Bridgeport, Conn.	-5.3	72	Evansville, Ind.	-20.4
34	Dayton, Ohio	-5.6	73	Nashville, Tenn.	-20.5
35	Fall River, Mass.	-6.2	74	Binghamton, N. Y.	-20.5
36	Phoenix, Ariz.	-6.3	75	San Antonio, Tex.	-22.1
37	Minneapolis, Minn.	-6.5	76	Houston, Tex.	-22.1
38	Springfield, Ohio	-6.8	77	Flint, Mich.	-24.0
39	Pittsburgh, Pa.	-6.9	78	Somerville, Mass.	-25.4

# REGIONAL PATTERNS OF REAL ESTATE & MORTGAGE ACTIVITY

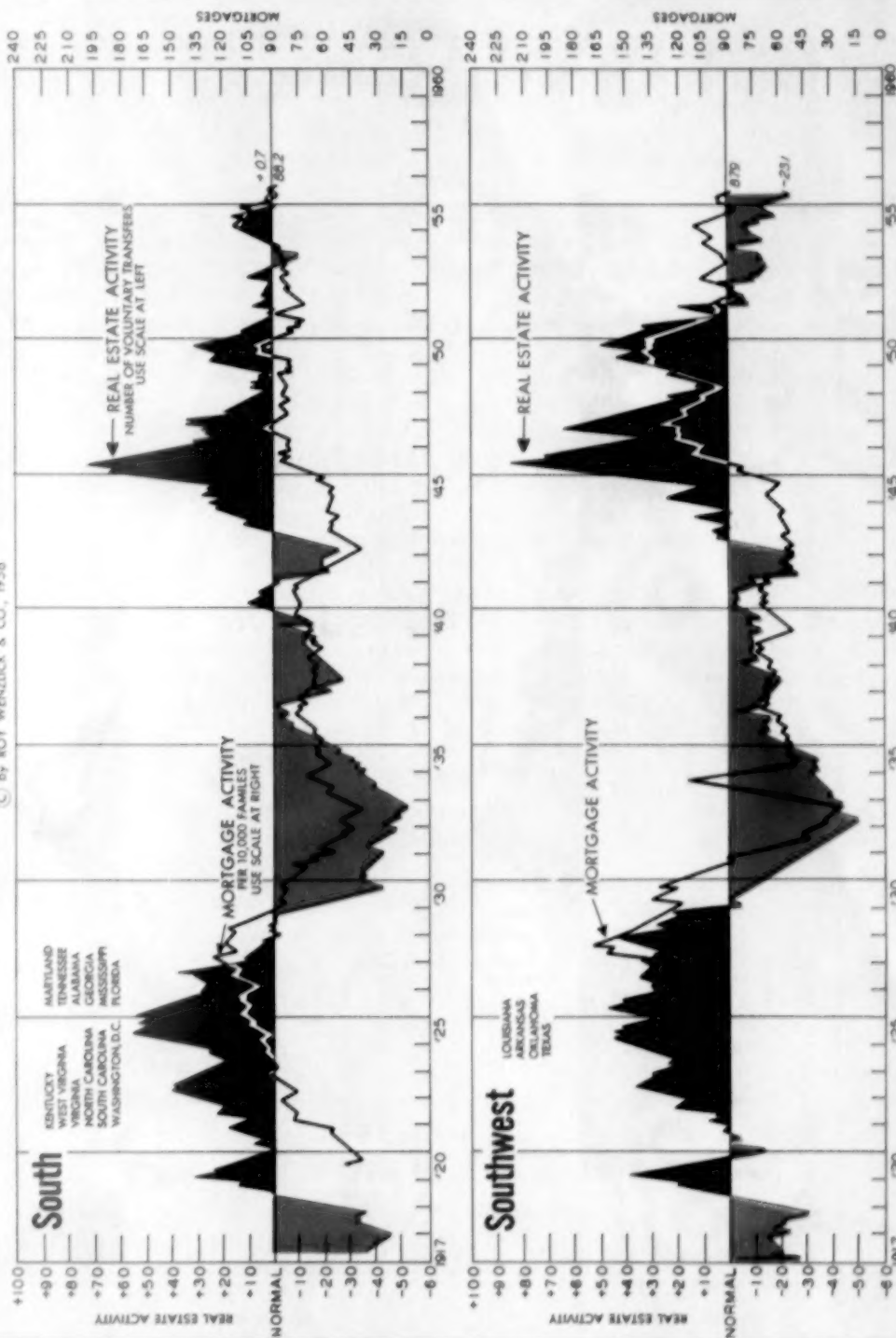
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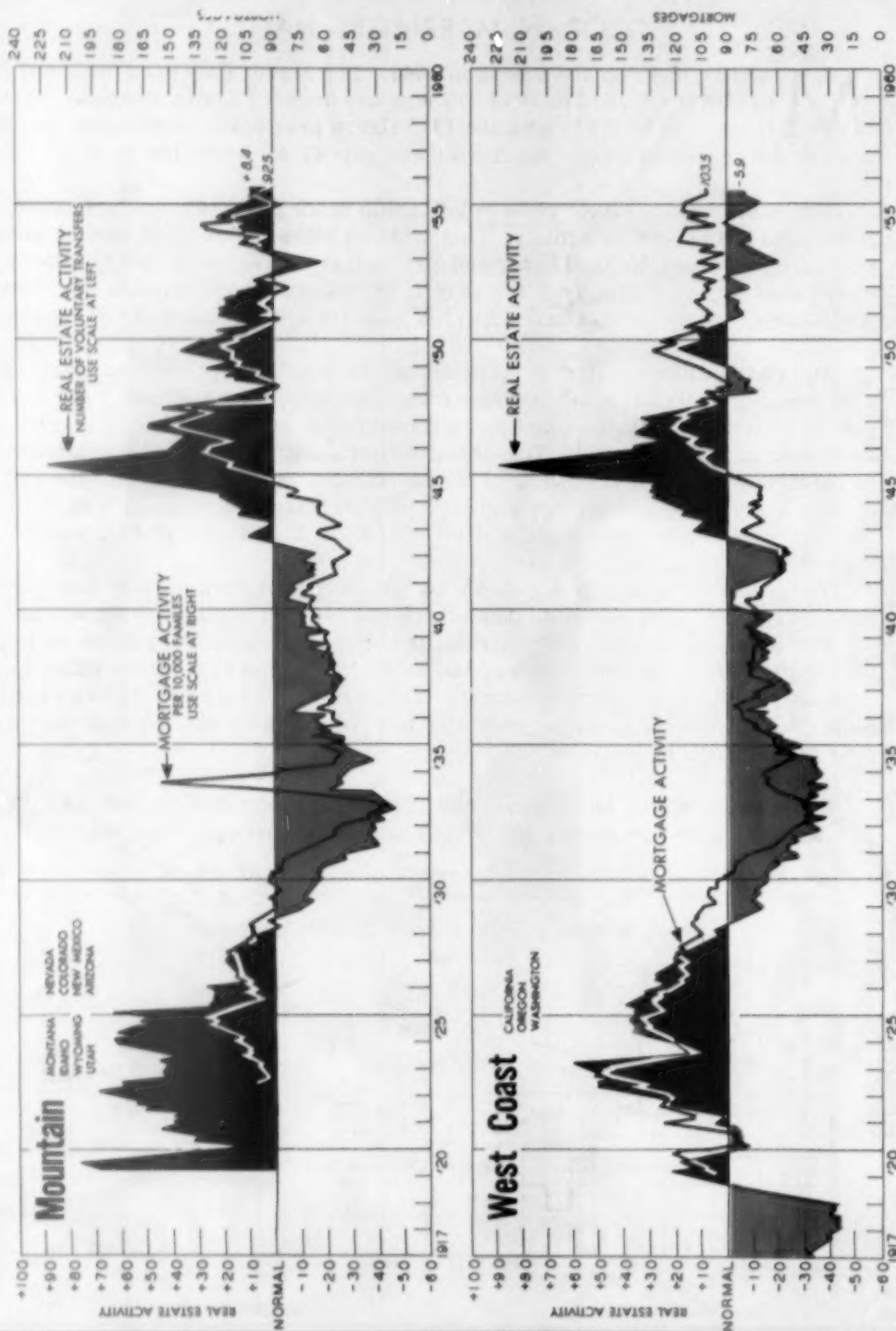


# REGIONAL PATTERNS OF REAL ESTATE & MORTGAGE ACTIVITY

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## DROP IN MARRIAGES HALTED

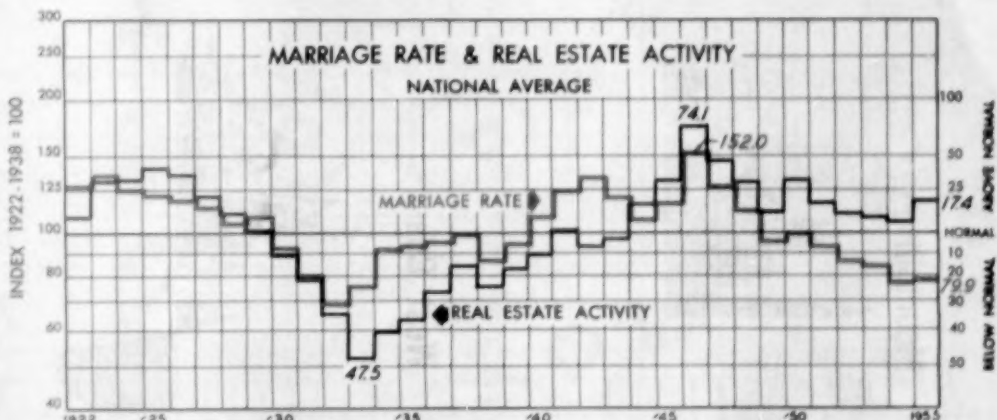
**M**ARRIAGES reached a peak in 1946, 52% higher than the average of the period from 1922 to 1938. There has been a fairly constant decline from 1946 to 1954, with the 1955 figure practically duplicating the figure for the preceding year. Marriages are now 47.4% below the peak.

There has been a rather close relationship in the past between the number of marriages and real estate activity. This is shown below. This chart clearly shows that marriages have declined faster and farther than real estate activity. The very easy financing, particularly in the year 1955, generated a volume of real estate sales larger than we would have expected from the other factors in the economy.

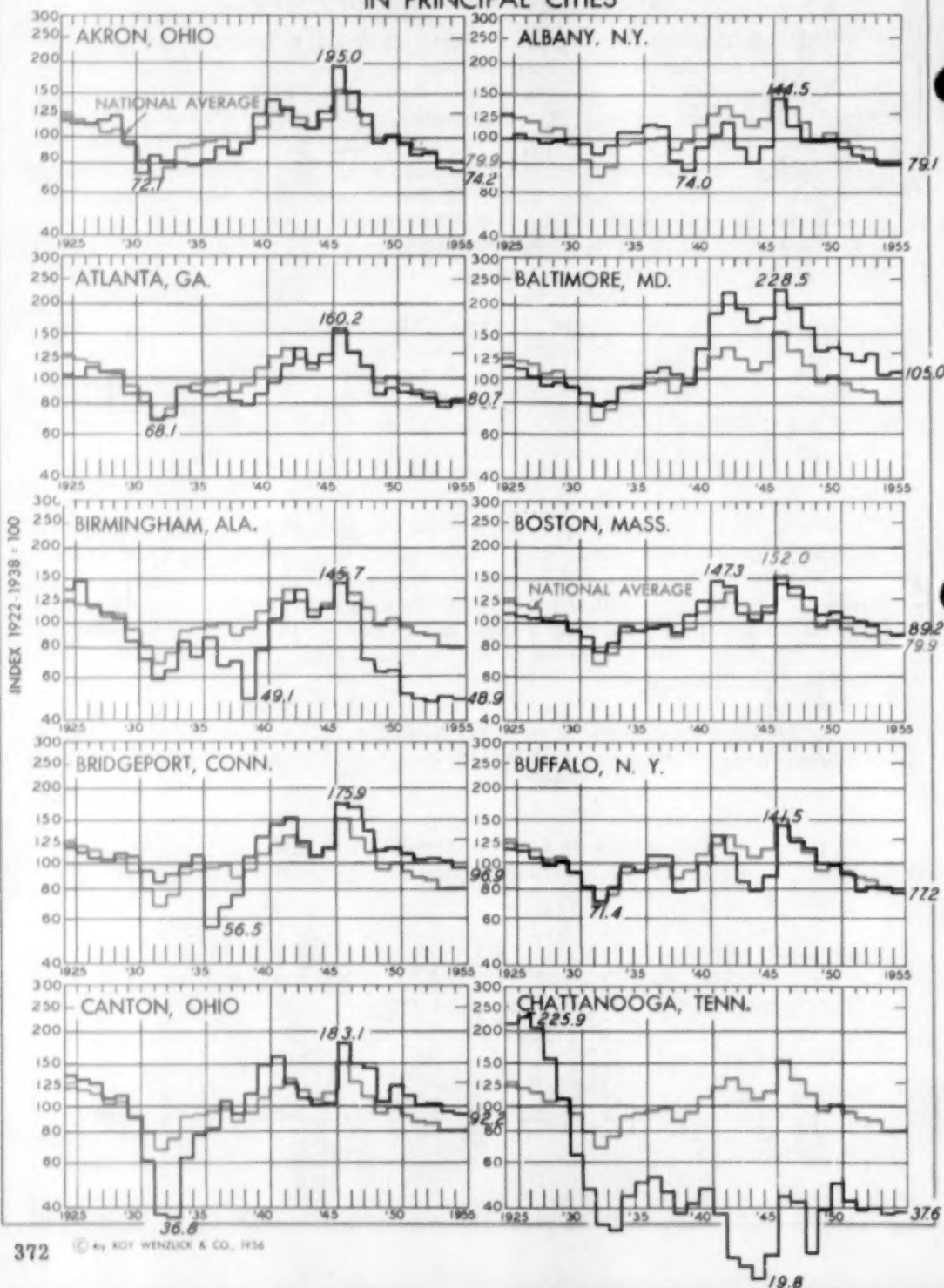
Marriages will soon start to increase, as the number of persons of marriageable age in our population will increase faster than the total population. For a long period of years we should experience an increase in the number of marriages each year until around 1970. This should be quite stimulating to real estate, both in rental housing and in the selling of homes. It has been established that the age of a purchaser of a home averages 35 years. An increase in marriages will, therefore, probably stimulate the rental market first and the sales market later.

The charts on the following pages show the changes in the marriage rate for 80 principal cities. Keep in mind these three things when comparing these charts: 1. The small charts deal with marriages only and contrast the rate in each individual city (blue line) with the national average (red line). 2. Some cities have unusually high or low marriage rates, due to laws in their own or neighboring States. 3. Some cities have unusually high marriage rates because they are near large military posts.

In evaluating the figures for any city, in comparison with any other city, it is necessary to know how greatly the figures have been affected in this way.

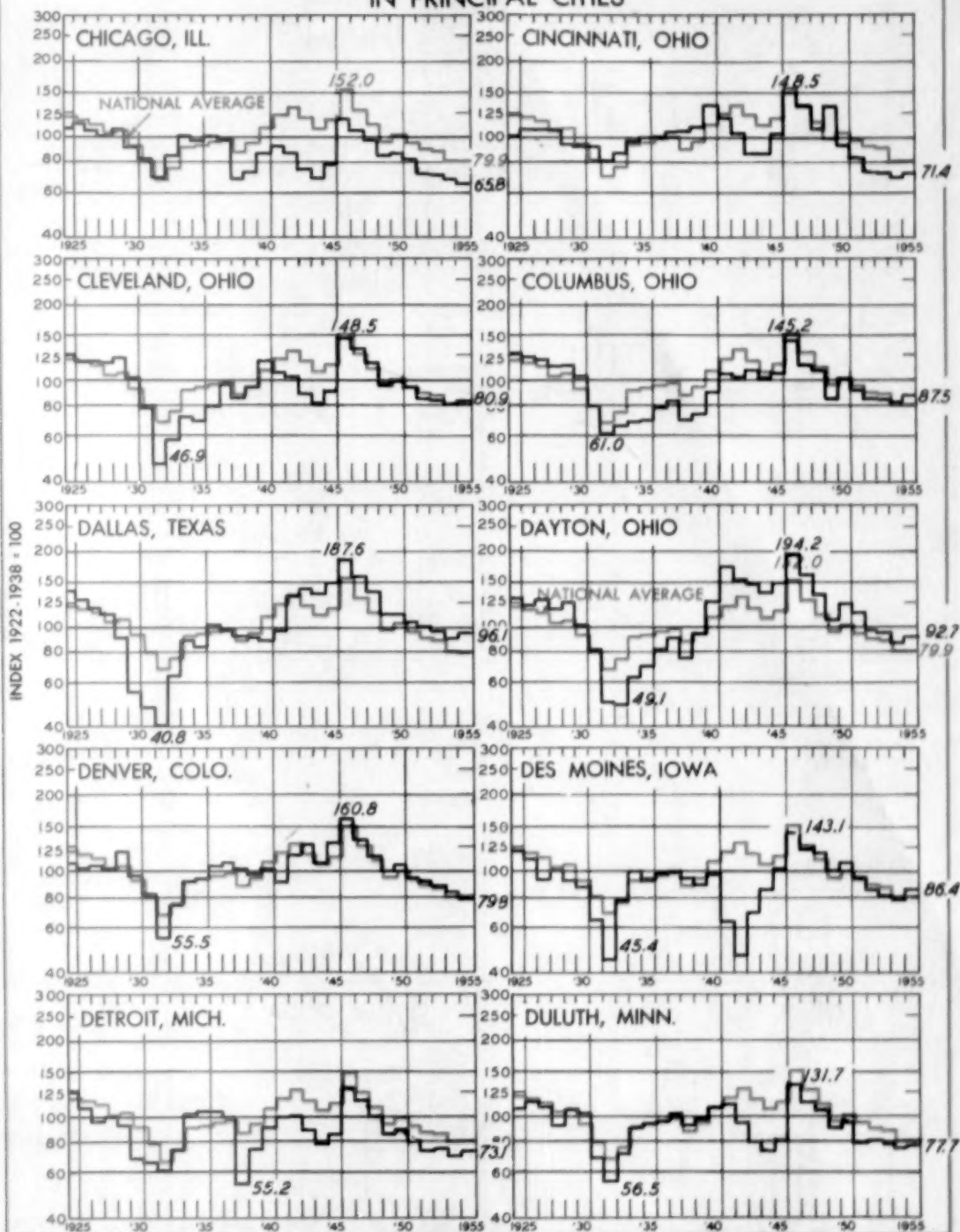


# FLUCTUATIONS IN THE MARRIAGE RATE IN PRINCIPAL CITIES

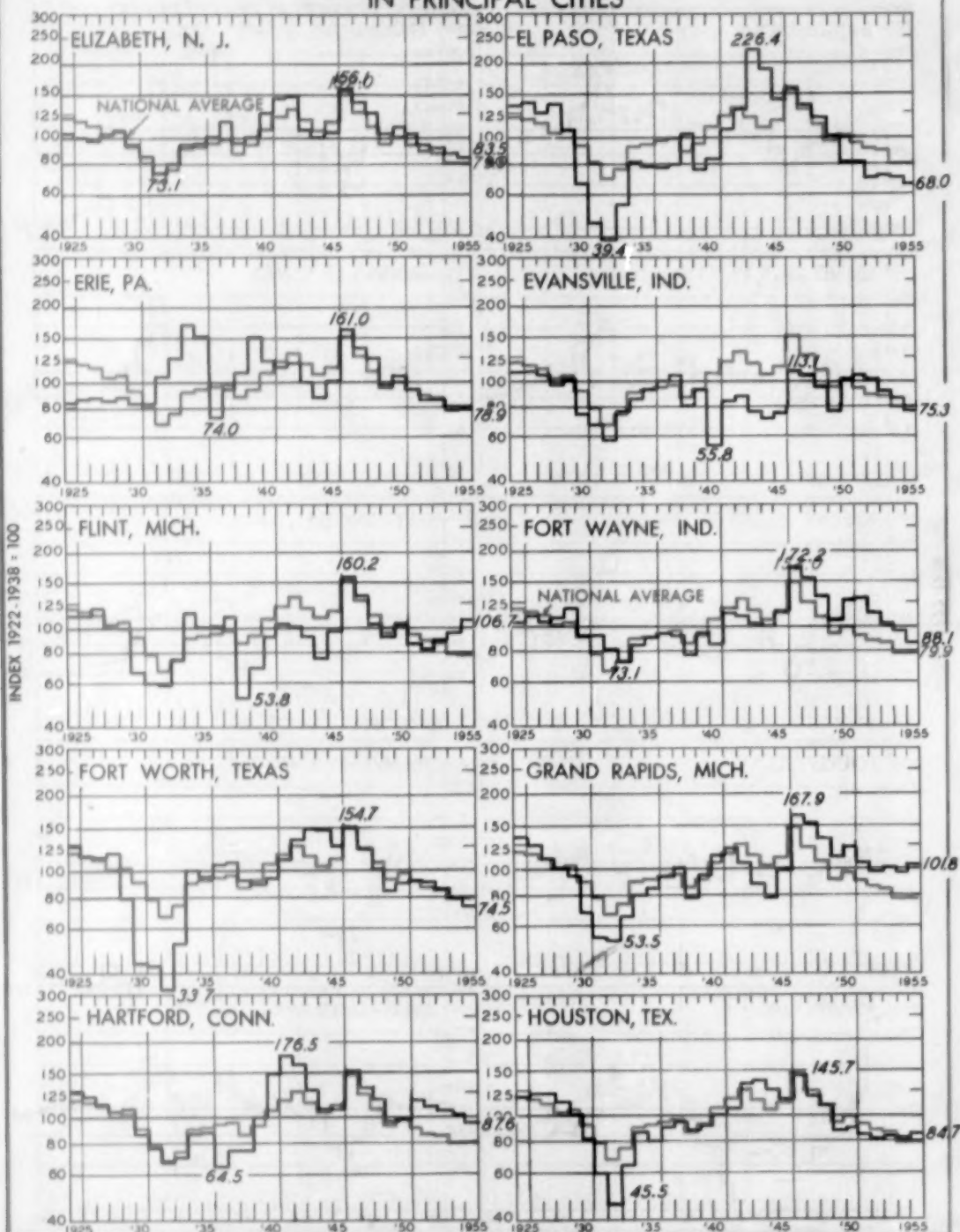




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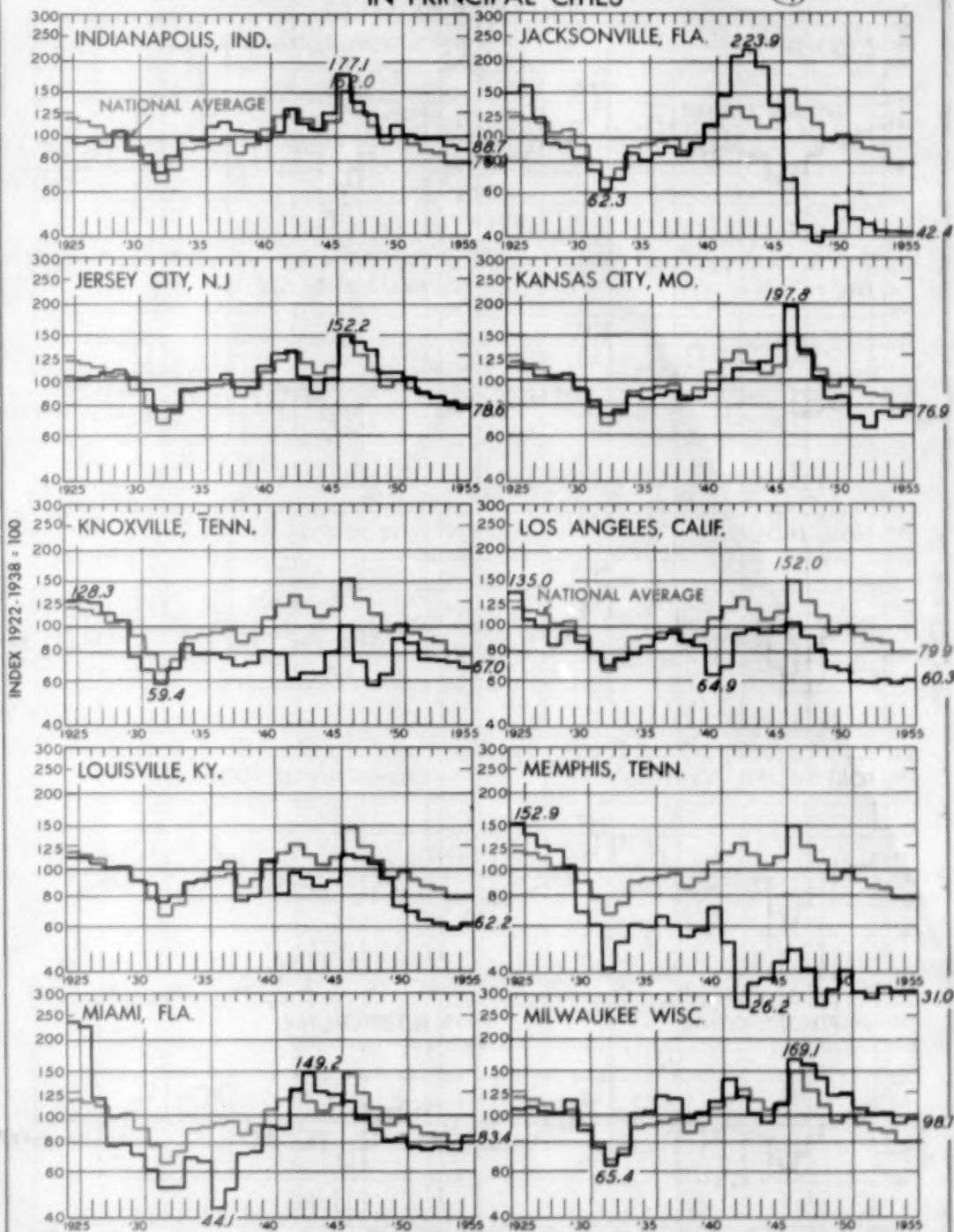


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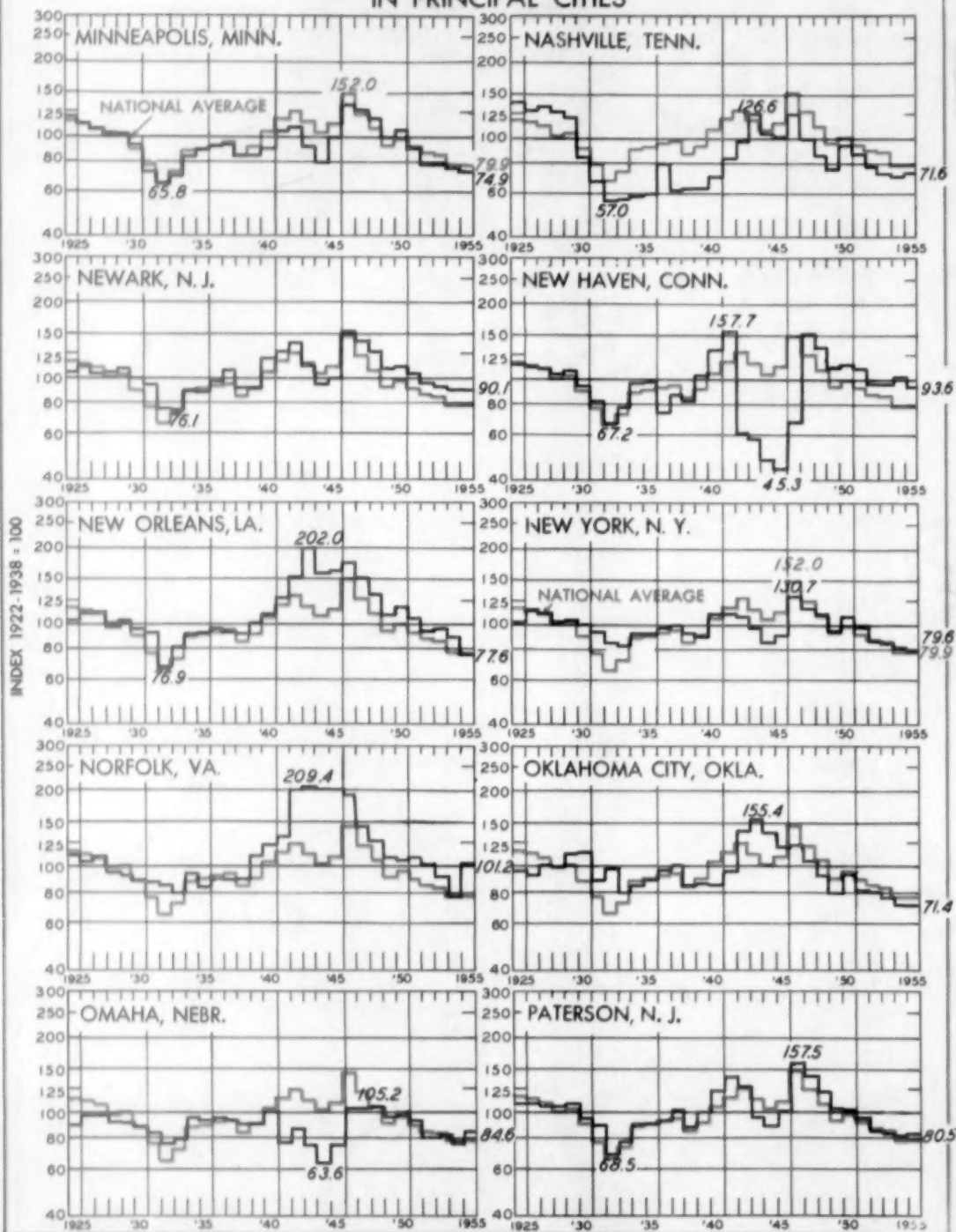


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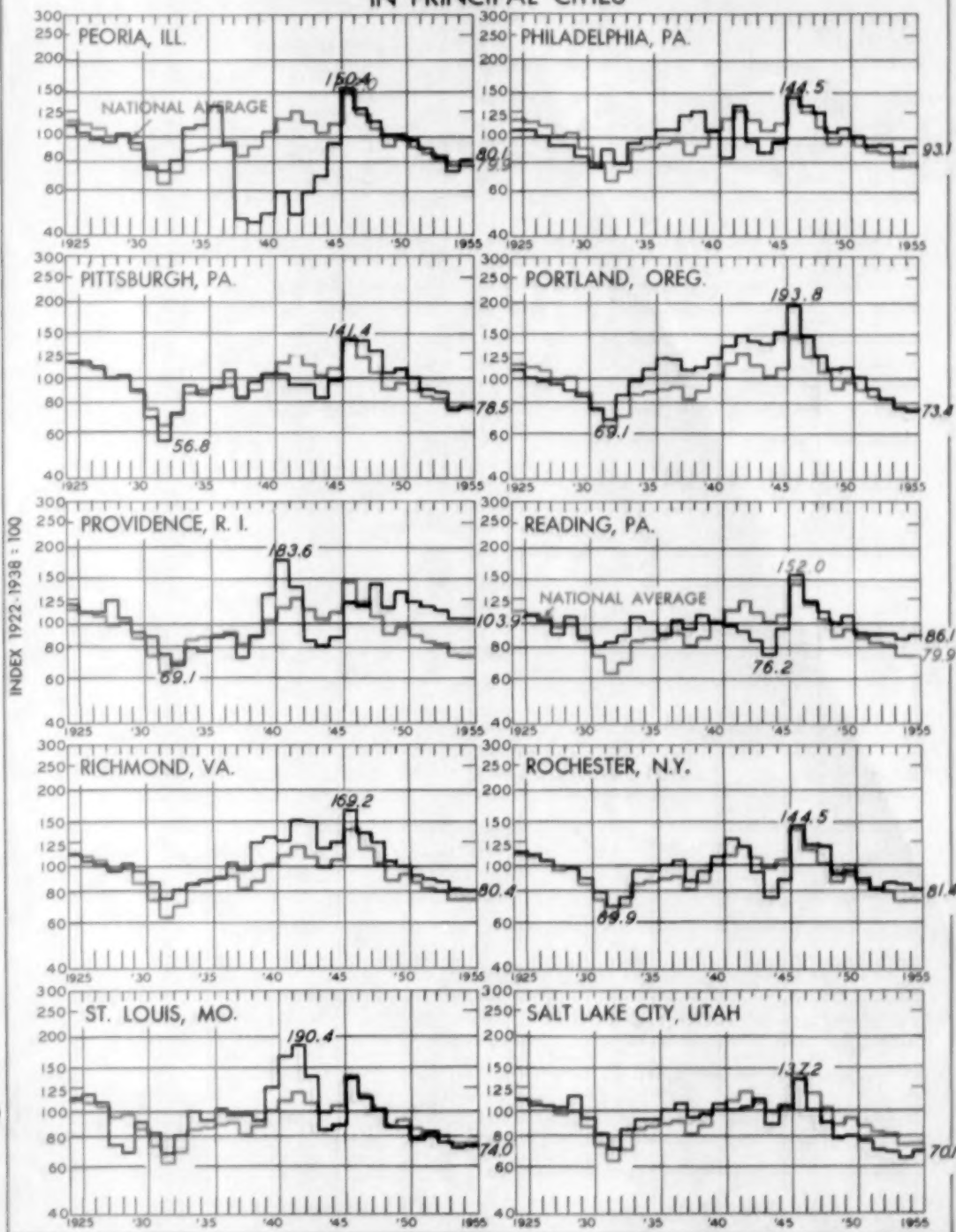
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# FLUCTUATIONS IN THE MARRIAGE RATE IN PRINCIPAL CITIES

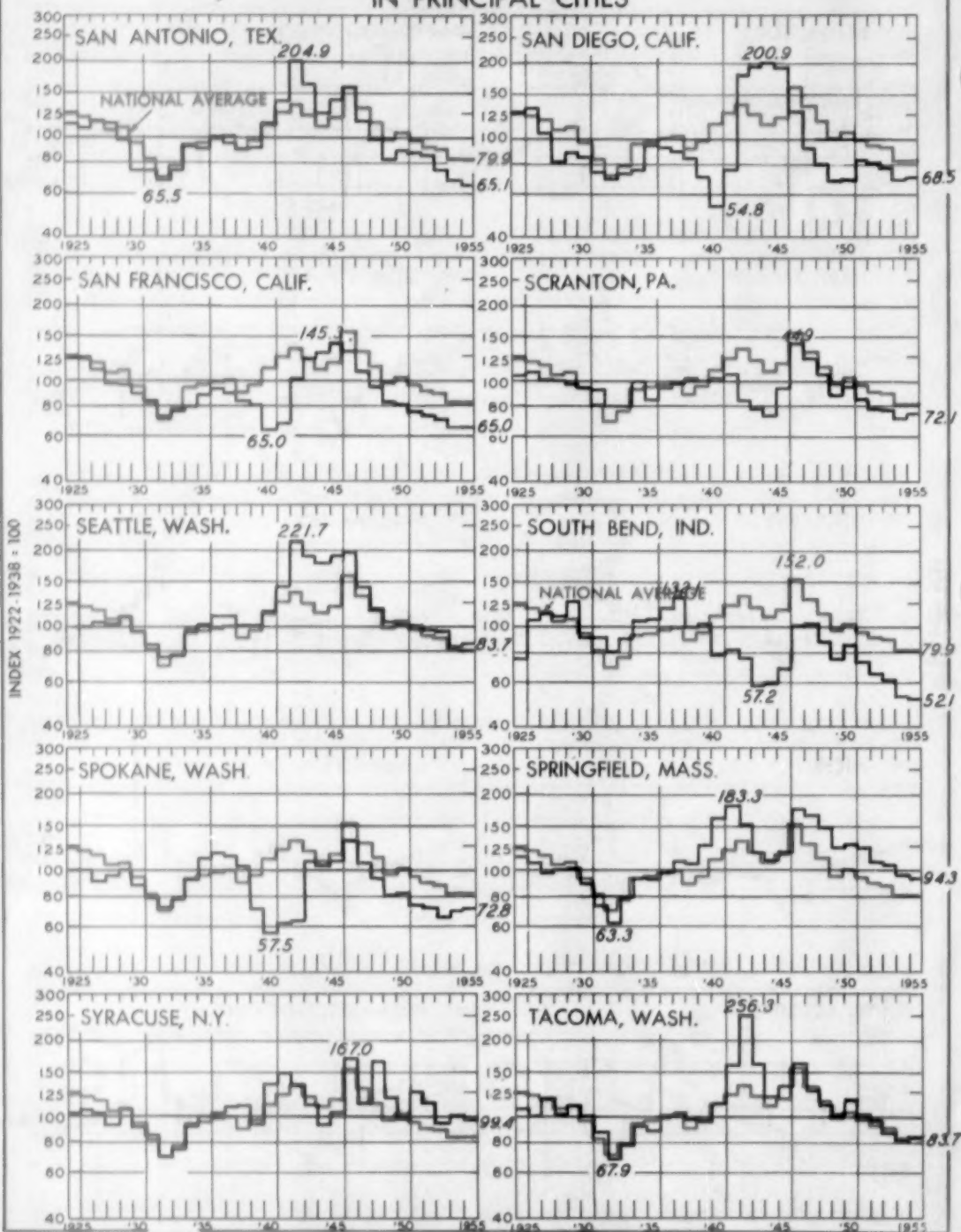


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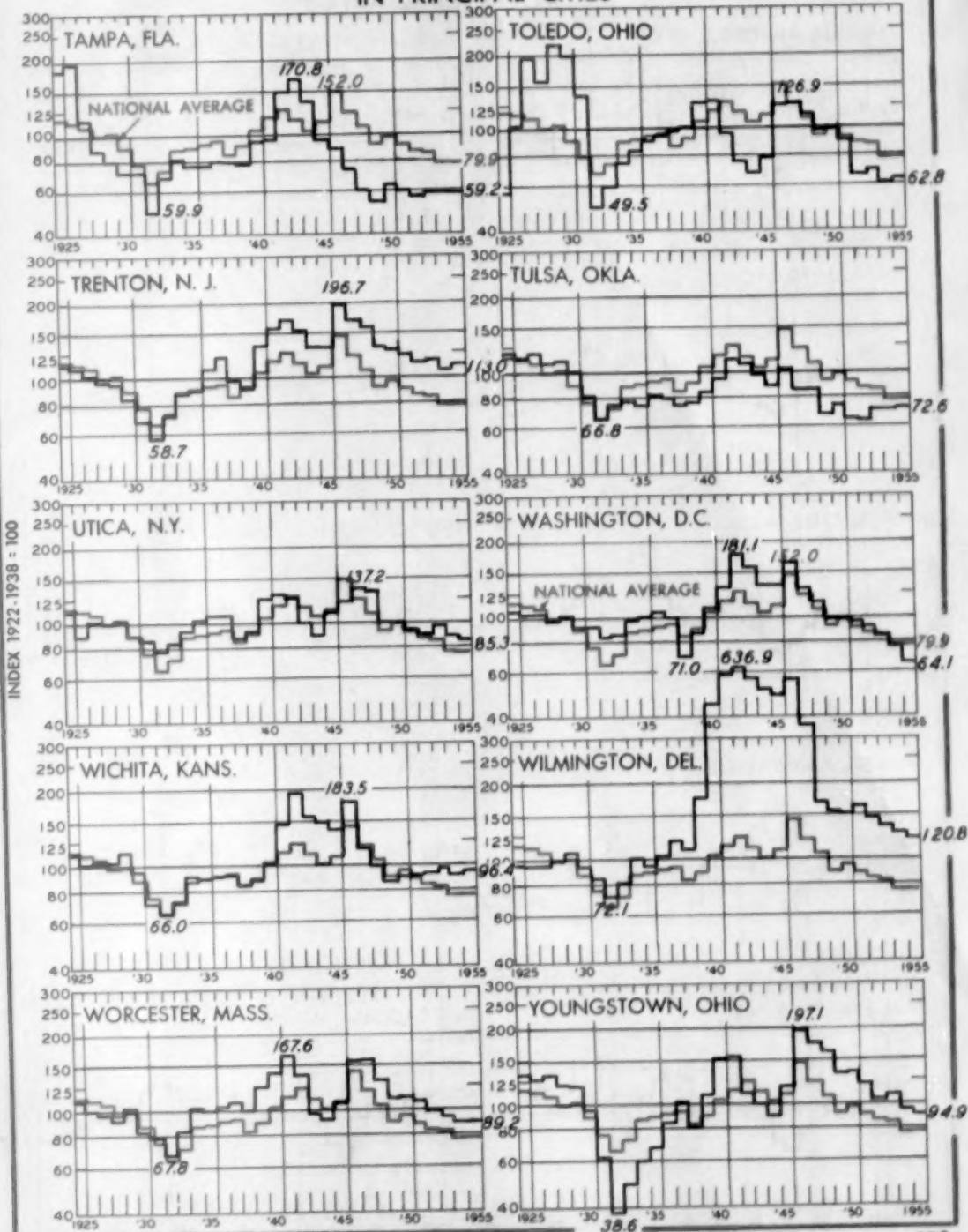




# FLUCTUATIONS IN THE MARRIAGE RATE IN PRINCIPAL CITIES



# FLUCTUATIONS IN THE MARRIAGE RATE IN PRINCIPAL CITIES



## REGIONAL REAL ESTATE AND MORTGAGE ACTIVITY

(cont. from page 365)

The mortgage activity line charted on these eight charts shows the number of mortgages recorded per month per 10,000 families. It is probably significant that the number of mortgages in relationship to the number of families has been historically lower over almost the entire period of our chart in the New England Region than it has been in the other sections of the United States. This probably reflects the conservative nature of the New England population and the fact that this area is a matured area with less speculative selling of land and homes.

A study of the mortgage figures on a city-by-city basis indicates that, as a general rule, those cities which are lagging in voluntary transfers of real estate are also lagging in mortgages in comparison with the corresponding quarter of a year ago. Over the entire United States mortgage activity in the last 3 months is running 6-3/4% below the corresponding 3 months of 1955.